

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Order Instituting Rulemaking Regarding
Policies, Procedures and Rules for
Development of Distribution Resources
Plans Pursuant to Public Utilities Code
Section 769.

Rulemaking 14-08-013
(Filed August 14, 2014)

**JOINT REPLY OF BEAR VALLEY ELECTRIC SERVICE (U 913 E),
A DIVISION OF GOLDEN STATE WATER COMPANY, LIBERTY UTILITIES
(CALPECO ELECTRIC) LLC (U 933 E), AND PACIFICORP (U 901 E) TO THE
RESPONSES TO THE QUESTIONS IDENTIFIED IN THE ORDER INSTITUTING
RULEMAKING**

Jedediah J. Gibson
Ellison, Schneider & Harris, L.L.P.
2600 Capitol Avenue, Suite 400
Sacramento, CA 95816
Telephone: (916) 447-2166
Facsimile: (916) 447-3512
Email: jjg@eslawfirm.com

Attorneys for Bear Valley Electric Service

Michelle Mishoe
Etta Lockey
PacifiCorp
825 NE Multnomah, Suite 1800
Portland, OR 97232
Telephone: 503-813-5977
Facsimile: 503-813-7252
Email: Michelle.Mishoe(@.pacificorp.com
Email: Etta.Lockey@pacificorp.com

Attorneys for PacifiCorp

Steven F. Greenwald
Vidhya Prabhakaran
Davis Wright Tremaine LLP
Suite 800
505 Montgomery Street
San Francisco, CA 94111-6533
Telephone: (415) 276-6500
Facsimile: (415) 276-6599
Email: stevegreenwald@dwt.com
Email: vidhyaprabhakaran@dwt.com

Attorneys for Liberty Utilities (CalPeco
Electric) LLC

Dated: October 6, 2014

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RESPONSES TO QUESTIONS IDENTIFIED IN THE ORDER INSTITUTING
RULEMAKING**

Pursuant to Ordering Paragraph 4 of the Order Instituting Rulemaking Regarding Policies, Procedures and Rules for Development of Distribution Resources Plans (“OIR”) and the September 19, 2014 e-mail ruling of Administrative Law Judge Gamson, Bear Valley Electric Service (U 913 E), a division of Golden State Water Company (“BVES”), Liberty Utilities (CalPeco Electric) LLC (U 933 E) (“Liberty Utilities”), and PacificCorp d/b/a Pacific Power (U 901 E) (collectively, the California Association of Small and Multijurisdictional Utilities or “CASMU”) submit this joint reply to the responses to the questions identified in the OIR.¹

I. NO PARTY’S RESPONSE TO THE QUESTIONS IDENTIFIED IN THE OIR PROVIDES ANY SUPPORT FOR THE COMMISSION REQUIRING COMPLICATED DISTRIBUTION RESOURCES PLANS FROM CASMU MEMBERS

The parties who responded to the questions identified in the OIR focused on the development of guidelines to assist the large investor-owned utilities (“Large IOUs”) that are the named respondents of this proceeding with formulating and submitting their distribution

¹ Pursuant to Rule 1.8(d), Liberty Utilities has been authorized to file these comments on the OIR on behalf of BVES and PacificCorp.

resources plans (“DRPs”).² Nothing in the parties’ responses suggests that the Commission needs to require the same level of detailed DRPs from CASMU members to meet the requirements of Public Utilities Code §769 as it will require from the Large IOUs. Accordingly, the Commission should consider the significant differences between CASMU members and the Large IOUs in helping guide the development of simplified DRPs from CASMU members.

As described in CASMU’s initial response to the OIR, CASMU members are not at the same stage or as well-resourced as the Large IOUs when it comes to distribution resources planning.³ CASMU members are unable to cost-effectively provide the level of detailed analysis and planning the Commission appears poised to require from the Large IOUs based on the questions in the OIR and the responses to those questions provided by parties.

II. THE ASSIGNED COMMISSIONER’S SCOPING RULING SHOULD ALLOW CASMU MEMBERS TO SUBMIT A SIMPLIFIED NARRATIVE RESPONSE TO MEET THE REQUIREMENTS OF PUBLIC UTILITIES CODE §769

All utilities, including CASMU members, must submit a “distribution resources plan proposal to identify optimal locations for the deployment of distributed resources” pursuant to Public Utilities Code §769. In recognition of the small size and limited resources of CASMU members, the nature of CASMU member operations, and the limited demand for distributed resources into CASMU members’ distribution systems, the Assigned Commissioner should allow a different approach with regard to CASMU members in this rulemaking relative to the Large IOUs that are named respondents.

Specifically, the Assigned Commissioner should order in his Scoping Ruling that CASMU members submit a simple narrative response to meet the requirements of Public

² See, e.g., Vote Solar’s Responses to Questions Posed in the Commission’s Order Instituting Rulemaking; Comments of The Utility Reform Network on the Order Instituting Rulemaking; Response of the California Energy Storage Alliance; and Comments and Responses to Questions of Pacific Gas and Electric Company (U 39 E).

³ See Joint Comments of Bear Valley Electric Service (U 913 E), a Division of Golden State Water Company, Liberty Utilities (CalPeco Electric) LLC (U 933-E), and PacifiCorp (U 901 E) on the Order Instituting Rulemaking, at 2-5.

Utilities Code §769. CASMU members should not be required to follow guidelines that are developed in this proceeding to guide the Large IOUs to formulate and submit their DRPs.

While Public Utilities Code §769 requires that all utilities, including CASMU members, provide a DRP, it does not require that all utilities must provide the same level or complexity of information in the DRP. This is particularly true given the language in §769(d) which provides that cost recovery will only be authorized to the extent “ratepayers would realize net benefits and the associated costs are just and reasonable.” To ensure net benefits for the CASMU members’ customers, any DRP requirements must be reasonably tailored to reflect the unique characteristics of the CASMU members. Accordingly, issuing an order in the Assigned Commissioner’s Scoping Ruling that allows CASMU members to submit a simplified narrative response to meet the requirements of Public Utilities Code §769 will best promote the public interest.

Respectfully submitted,

DAVIS WRIGHT TREMAINE LLP

/s/
Steven F. Greenwald
Vidhya Prabhakaran
Davis Wright Tremaine LLP
505 Montgomery Street, Suite 800
San Francisco, CA 94111-6533
Email: vidhyaprabhakaran@dwt.com

Attorneys for Liberty Utilities (CalPeco Electric) LLC

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